



First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018-4214  
Tel 847 318-7575  
Fax 847 318-7588

December 21, 2000

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment



VIA UPS NEXT DAY AIR

22834-A

DEC 28 00

3-53 PM

SURFACE TRANSPORTATION BOARD

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated April 24, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 22834.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Transportation Equipment Inc.  
16225 Park Ten Place Suite 800  
Houston, TX 77084

A description of the railroad equipment covered by the enclosed document is ten (10) 5750/5851 cubic foot, plastic pellet covered hopper cars, with NDYX, RUSX and TQEX car marks (see exhibit A for exact car numbers).

A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and Transportation Equipment Inc., Lessee, covering 10 5750/5851 cubic foot plastic pellet covered hopper cars, with NDYX, RUSX and TQEX car marks (see exhibit A for exact car numbers).

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase-Morrison  
Manager of Documentation

Enclosures

(TEI012A, TEI012B)

ASSGN. NO.: TEI0012A/B

MEMORANDUM OF LEASE

22.834-A FILED

DEC 28 '00

3-53 PM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the April day of 2000, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Transportation Equipment, Inc. ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of November 29, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 5 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 11, 2000 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. Dombrowski

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR

Title: Vice President Sales & Marketing

Name: K. A. DOMBROWSKI

Title: DIRECTOR OF DOCUMENTATION Executed on this 24th day of April, 2000.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

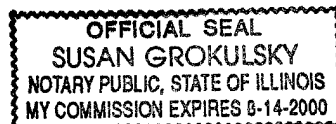
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 24th day of APRIL, 2000.

Susan Grokulskey  
Notary Public

My Commission Expires:

8-14-2000  
(Notary Public)



LESSEE:

TRANSPORTATION EQUIPMENT, INC.

By:

Name:

Title:

Jed W. Helmeay  
Jed W. Helmeay  
Vice President

ATTEST:

By:

Name:

Title:

Lori Hughes  
Lori Hughes

Executed on this 18th day of April, 2000.

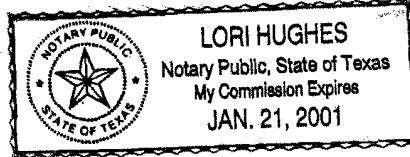
[CORPORATE SEAL]

STATE OF

COUNTY OF

TEXAS

HARRIS



I, Lori Hughes, a Notary Public of the County and State aforesaid, certify that Jed Helmeay personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 18th day of April, 2000.

Lori Hughes  
Notary Public

Commission Expires:

1-21-2001  
(Notary Public)

NUMBER OF CARS:	Group A - Six (6), Group B - Four (4)		
DESCRIPTION OF CARS:	Group A – LO 5750 cu. ft., lined, Plastic Pellet Covered Hopper Cars Group B – LO 5851 cu. ft., lined, Plastic Pellet Covered Hopper Cars		
CAR NUMBERS:	<u>Group A</u> NDYX 6245      NDYX 6246      RUSX 9035 RUSX 9036      RUSX 9065      RUSX 9087  <u>Group B</u> NDYX 870055      NDYX 870082 NDYX 870092      TQEX 58278		